

**MINUTES  
REGULAR MEETING  
UTILITY SERVICE BOARD  
FEBRUARY 15, 2010**

The Regular Meeting of the Utility Service Board of the City of Jasper, Indiana, was held in the Council Chambers of City Hall in Jasper at 7:00 PM on Monday, February 15, 2010.

The meeting was called to order by Chairman Wayne Schuetter.

**UPON CALL OF THE ROLL, THE FOLLOWING WERE PRESENT:**

Wayne Schuetter – Chairman  
Rick Stradtner – Vice Chairman  
Mike Harder – Secretary  
Doug Schulte – Water Commissioner  
Alex Emmons – Wastewater Commissioner  
Greg A. Krodel – Gas Commissioner  
Ken Sendelweck – Electric Commissioner

**ALSO PRESENT:**

Jerry Schitter – Electric Distribution Manager  
Michael A. Oeding – Gas & Water Manager  
Ed Hollinden – Wastewater Manager  
Bud Hauersperger – General Manager  
Sandy Hemmerlein – City Attorney

**ABSENT:**

Windell Toby – Electric Generation Manager

**PLEDGE OF ALLEGIANCE** (B-23)

Chairman Wayne Schuetter led the Pledge of Allegiance.

**QUOTE OPENING: INFRARED CAMERA – ELEC. DISTRIBUTION** (B-30)

Sandy Hemmerlein opened the quotes and read them aloud as follows:

1. Dave Hurt	\$8,295.00	
Newburgh, IN	+ 75.00	(T1)
	<u>\$8,370.00</u>	
2. Power Line Supply	\$7,495.83	
Reed City, MI	118.03	(car charger)
	+ 83.22	(T1)
	<u>\$7,697.08</u>	

3. HD Supply Utilities  
Mattoon, IL

\$4,800.00

Jerry Schitter asked to take the quotes under advisement and report back at the next meeting. Rick Stradtner made a motion to take the quotes under advisement and report back at the next meeting. Alex Emmons seconded the motion. Motion approved, 7-0.

### **APPROVAL OF MINUTES** (B-95)

Chairman Wayne Schuetter presented the minutes of the January 18, 2010, Regular Meeting and there being no corrections or amendments, asked for a motion to approve. Ken Sendelweck made a motion to approve the minutes of the January meeting as presented. Mike Harder seconded the motion. Motion approved, 7-0.

### **SURPLUS TRANSFORMERS** (B-104)

Jerry Schitter presented the Board with a list of transformers he would like to be deemed as surplus. The transformers were pole top transformers that were replaced with pad mount transformers. The Electric Department cannot recondition and reuse the transformers as they are single tap, and only multiple tap is used in a reconditioned pad mount transformer. Some of the transformers would be sold for someone to recondition and use. The rest of the transformers would be sold for scrap metal.

Sandy Hemmerlein advised that the transformers to be sold would need to be advertised and quotes accepted at the next meeting per the law of a sale over \$5,000.

Rick Stradtner made a motion to declare all the transformers as surplus and to scrap the transformers as indicated by Schitter and to go through a sale procedure for the remaining transformers as required by law. Doug Schulte seconded the motion. Motion approved, 7-0.

### **REDUCTION IN WORK HOURS - ELECTRIC GENERATION EMPLOYEES** (B-242)

Bud Hauersperger stated that he developed a plan to reduce the work hours at the Power Plant per the direction of the Board at the last Utility Service Board meeting, due to the uncertainty of the Power Plant and the plant not operating. Hauersperger presented Resolution #USB 2010-03 to the Board.

The Resolution states that all hourly Electric Generation employees shall have their work hours reduced from 40 hours weekly to 32 hours. They will also be required to take one additional 8 hour shift off per month without pay. The employees will continue to be classified as full-time and will remain eligible for full benefits, such as insurance, vacation time, etc. Hauersperger said this reduction in work hours will continue until further notice.

Chairman Schuetter stated that this decision was not taken lightly and is no reflection on the Power Plant or its employees. Something had to be done while the City is determining what the best option is for the plant going forward. Schuetter feels this is the best option at the time, rather than lay-offs, to allow the City to maintain the plant and for all the employees to maintain their employment.

Sandy Hemmerlein mentioned that this Resolution will be taken to the Common Council for approval also, since it concerns employees' wages and benefits.

Ken Sendelweck made a motion to approve Resolution #USB 2010-03. Mike Harder seconded the motion. Motion approved, 7-0.

#### **ELECTRIC PLANNING COMMITTEE REPORT** (B-384)

Ken Sendelweck, Chairman of the Electric Planning Committee, stated the committee met on February 10, 2010 to review the final report from Black and Veatch on the Power Plant. The final report wasn't much different from the preliminary report.

With the consulting from Bingham McHale, the next step the Committee recommends to be taken is to send out Requests for Expression of Interest (REI) on the Power Plant. This will allow interested parties to express their ideas/plans on utilizing the Power Plant, as well as their financing options to fund a project. This would be the step before a formal Request for Proposal (RFP). The REI would allow the City to keep all options open before narrowing them down during the RFP process.

Hauersperger has drafted an REI to send out, but a little work still needs to be done on it. He has also compiled a list of 15-20 firms/publications to send the REI to. The Committee would like to receive all REI's back by April 5<sup>th</sup>.

Ken Sendelweck made a motion to pursue the Requests for Expressions of Interest. Alex Emmons seconded the motion. Motion approved, 7-0.

#### **MIECO CONTRACT RESULTS** (B-473)

Mike Oeding stated that the contract with MIECO was signed last month and has already been put to use. It was used for the imbalance in gas the City had last month. The City was 873 decatherms short last month and purchased this shortage through the MIECO contract. Instead of purchasing at a price of \$6.42, the City was able to get a price of \$5.93. The savings totaled a little over \$400.

#### **2008 WATER TOTALS VS. 2009 WATER TOTALS** (B-490)

Oeding said he wanted to share some information from their year-end reports. Due to the large amount of rain in 2009, there was 168 million less gallons pumped at the Water Treatment Plant than in 2008. On the same note, chemical usage was about the same in 2009 versus 2008, due to having to treat all of the dirty water.

#### **REMAINING WATER METER CHANGE-OUTS** (B-498)

Oeding informed the Board that they are down to 35 to 40 homes that still need changed to radio-read water meters. These meters are located inside the customers' homes. They have been trying to get a hold of these customers for months. Last month notices were hung on all the doors and only 2 customers responded. Oeding plans to hang notices again at the end of this month. At the end of March a final notice will be hung and if they do not respond, they will be

systematically shut-off until the meter is able to be changed and turned back on. He feels this is the only way to get some people to respond.

Oeding asked if the Board approved with proceeding in this fashion. Sandy Hemmerlein advised that the Ordinance would need to be consulted to justify the disconnecting of service. Chairman Schuetter asked if notices could be included in their utility bills. Oeding said they would include a notice with their bill or mail out a separate notice.

Oeding said they would proceed with the second notice and would check the Ordinance and report back at the next meeting on how to proceed beyond the second notice.

#### **GAS PLANNING COMMITTEE REPORT** (B-558)

Greg Krodel, Chairman of the Gas Planning Committee, stated the committee did not meet during the past month.

#### **WATER PLANNING COMMITTEE REPORT** (B-559)

Doug Schulte, Chairman of the Water Planning Committee, stated the committee did not meet during the past month.

#### **WASTEWATER PLANNING COMMITTEE REPORT** (B-561)

Alex Emmons, Chairman of the Wastewater Committee, stated the committee did not meet during the past month.

#### **APPROVE HARDWARE UPGRADE FOR BUSINESS OFFICE SOFTWARE** (B-562)

Bud Hauersperger presented copies of a quote from Eck-Mundy for a new server to support the new Business Office software package. The server is needed before the software can be installed. The Civil City also wants to upgrade their server and will be able to share in the cost of this server. The amount on the quote is the Utilities' portion of the cost of the server.

Alex Emmons asked if this large of an amount required 3 quotes. Hauersperger said comparable equipment was looked up on the internet and the price from Eck-Mundy was comparable. He wants to stay with Eck-Mundy since the City has a maintenance agreement with them and they take care and service all of City Hall's network, computers, printers, etc. Eck-Mundy knows City Hall's configuration and processes.

Emmons stated he is not comfortable until he knows the City obtained the best price and he has nothing to compare the price to.

Sandy Hemmerlein stated the Board could deviate from the Utility Service Board's purchasing policy, if there was a valid reason why, such as compatibility issues or that Eck-Mundy maintains and installs all of City Hall's computer hardware. Hemmerlein said this is not a public works project, so it is up to the Board to decide if a special purchasing method applies in this situation.

Alex Emmons made a motion to table the decision for further information to be gathered on the hardware prices, and the Civil City's needs for the next meeting. Greg Krodel seconded the motion. Motion approved, 7-0.

#### **UPDATE ON BUSINESS OFFICE SOFTWARE** (A-50)

Hauersperger informed the Board that the Business Office software will be delayed until somewhat later in the year due to the Version X Utility Billing software being delayed until September. Version X of the Financial package will be installed, so Hauersperger wants to make sure Version X of Utility Billing is installed and not Version 8.

In order to keep both the Financials and Billing packages more in line and the translation timeframe limited, the Financial piece will be pushed out a little farther also.

#### **UPDATE ON BEAVER LAKE DAM PROJECT** (A-111)

Hauersperger said the City is trying to obtain funding to rehabilitate the Beaver Lake Dam through a grant from the Economic Development Administration (EDA). The EDA has asked for additional information, such as the engineering. They need to see the engineering before they will award the grant, and they want the information as soon as possible.

Hauersperger talked to some engineering firms and they feel the work can be done by mid-summer. Requests for Qualifications (RFQ's) were sent out to meet the requirements of the grant. Replies on the RFQ's should be received by the end of the month.

Upon talking with the engineers on how to speed up the process, they suggested doing the geo-technical and survey work immediately. In order to do the work immediately, the City would have to pay for those fees, and they would not be included in the grant. Hauersperger feels this would help get the engineering done and qualify for the grant.

Hauersperger sent out survey proposals and specifications and received those back. Copies of the proposals were distributed to the Board. Brosmer Land Surveying had the lowest quote and Hauersperger would like to get them started as soon as possible.

Greg Krodel made a motion to approve the proposal from Brosmer Land Surveying. Doug Schulte seconded the motion. Motion approved, 7-0. Sandy Hemmerlein will prepare the contract.

Hauersperger stated the RFQ's are due back on Monday, February 22<sup>nd</sup>. They will be reviewed quickly and make the selection on which firms to interview. The interviews are scheduled on Wednesday, February 24<sup>th</sup>. After a firm has been selected, a contract must be negotiated right away. A Special Utility Service Board meeting needs to be held on Friday, February 26<sup>th</sup>, in order to obtain approval from the Board on the contract. The EDA was told that a firm would be selected by March 1<sup>st</sup>.

#### **SMITHVILLE TELEPHONE & CINERGY METRONET FIBER OPTIONS** (A-226)

Hauersperger said meetings were held with department heads and Smithville Telephone and Cinergy Metronet. Smithville Telephone wants to run fiber to all City departments to create a

ring of fiber network for the City for a monthly fee. Smithville's backbone is already run through the City and they are only looking to pick up commercial and industrial customers.

Cinergy Metronet wants to run fiber cable to every household in the City and offer cable, telephone, and broadband internet service. They would like to connect their fiber to the Electric Department's poles through pole attachment agreements and trade off services with the City. Cinergy is looking for funding for the project and could ask the City for some help.

It was decided to use the Electric Planning Committee as a sounding board for these proposals since they are the department these firms would be working closely with. Meetings will be coming up in the future to discuss these options.

PSC also has fiber in the area and are picking up limited commercial/industrial customers. They have not presented a formal plan to bring fiber to every home in the City yet, but it is believed to be in the works at some point.

#### **FINANCE COMMITTEE REPORT & PRESENTATION OF CLAIM DOCKET** (A-312)

Mike Harder reported the Finance Committee had met and reviewed the claims on the Claim Docket.

The Finance Committee recommended approval of the claims as presented.

Doug Schulte made a motion to approve the claims as presented. Ken Sendelweck seconded the motion. Motion approved, 7-0.

#### **COMMENTS FROM CHAIRMAN** (A-327)

Chairman Schuetter again wanted to reiterate to the Power Plant employees who were in attendance that the decision to reduce workforce hours was a hard one, but one that needed to be made at this time. He is hopeful that a decision will be made soon in the coming months. He also wanted to thank them for their hard work at the Power Plant and for keeping it in such great condition.

There being no further business to come before the Board, the meeting was adjourned at 8:20 PM upon motion by Rick Stradtner and second by Alex Emmons. Motion approved, 7-0.

The minutes were hereby approved \_\_\_\_\_ with \_\_\_\_\_ without corrections this \_\_\_\_\_ day of \_\_\_\_\_, 2010.

Attest: \_\_\_\_\_  
Secretary Chairman